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**LAFAYETTE PARISH CONVENTION  
AND VISITORS COMMISSION  
Lafayette, Louisiana**

**Financial Report**

**Year Ended December 31, 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/6/08

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The President and Members of  
the Board of Commissioners  
Lafayette Parish Convention  
and Visitors Commission  
Lafayette, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Convention and Visitors Commission, as of and for the year ended December 31, 2007, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Convention and Visitors Commission, as of December 31, 2007, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated, April 22, 2008, on our consideration of the Lafayette Parish Convention & Visitors Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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CERTIFIED PUBLIC ACCOUNTANTS

The required supplementary information on pages 26-27 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Lafayette Parish Convention and Visitors Commission has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lafayette Parish Convention and Visitors Commission's basic financial statements. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The balance sheet and the statement of revenues, expenditures and changes in fund balance have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The budgetary comparison schedules have not been subjected to auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them. We also have previously audited, in accordance with auditing standards generally accepted in the United States, the Commission's basic financial statements for the year ended December 31, 2006, which are not presented with the accompanying financial statements. In our report dated March 22, 2007, we expressed unqualified opinions on the respective financial statements of the governmental activities, the major fund and the aggregate remaining fund information. In our opinion, the 2006 information presented in the governmental fund financial statements on pages 30-31 is fairly stated in all material respects in relation to the basic financial statements for the year ended December 31, 2006, taken as a whole.

***Kolder, Champagne, Slaven & Company, LLC***

Certified Public Accountants

Lafayette, Louisiana  
April 22, 2008

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Statement of Net Assets**  
**December 31, 2007**

<b>ASSETS</b>	
Current assets:	
Cash and investments	\$ 2,400,418
Taxes receivable	190,523
Accounts receivable	107,219
Prepaid items	80,756
Lease deposit	<u>350</u>
Total current assets	<u>2,779,266</u>
Noncurrent assets:	
Capital assets, net	<u>280,162</u>
Total assets	<u>3,059,428</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	113,428
Deferred revenue	<u>119,738</u>
Total current liabilities	<u>233,166</u>
Noncurrent liabilities:	
Compensated absences payable	<u>4,798</u>
Total liabilities	<u>237,964</u>
<b>NET ASSETS</b>	
Invested in capital assets, net	280,162
Unrestricted	<u>2,541,302</u>
Total net assets	<u>\$ 2,821,464</u>

The accompanying notes are an integral part of the basic financial statements.

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Statement of Activities**  
**For the Year Ended December 31, 2007**

**Expenses:**

**Culture and recreation -**

Personnel	\$ 761,600
Administrative and public affairs	299,808
Tourism program	525,384
Convention program	219,991
Membership	1,388
Winter visitor marketing	28,601
Film commission program	27,413
Sports events	142,097
Gateway	66,370
Festival promotion	360,531
Local awareness	7,493
Special projects	9,000
Unplanned events	<u>124,364</u>
Total expenses	<u>2,574,040</u>

**Program revenues:**

Fees and service	31,200
Co-op programs	19,510
Cycle Zydeco	123,724
Operating grants and contributions	<u>225,000</u>
Total program revenues	<u>399,434</u>

Net program expense (2,174,606)

**General revenues:**

Accommodation taxes, levied for general purposes	2,725,479
Interest and investment earnings	102,962
Miscellaneous	<u>18,058</u>
Total general revenues	<u>2,846,499</u>

Change in net assets 671,893

Beginning net assets 2,149,571

Ending net assets \$ 2,821,464

The accompanying notes are an integral part of the basic financial statements.



**FUND FINANCIAL STATEMENTS (FFS)**

## **FUND DESCRIPTION - GOVERNMENTAL FUND**

### **MAJOR FUND**

#### **General Fund**

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Balance Sheet**  
**Governmental Fund**  
**December 31, 2007**

**ASSETS**

Cash and investments	\$ 2,400,418
Taxes receivable	190,523
Accounts receivable	7,219
Prepaid items	80,756
Lease deposit	350
Total assets	<u>\$ 2,679,266</u>

**LIABILITIES AND FUND BALANCE**

<b>Liabilities:</b>	
Accounts payable	\$ 113,428
Deferred revenue	119,738
Total liabilities	<u>233,166</u>
<b>Fund balance:</b>	
Reserved for prepaid items	80,756
Unreserved and undesignated	2,365,344
Total fund balance	<u>2,446,100</u>
 Total liabilities and fund balance	 <u>\$ 2,679,266</u>

The accompanying notes are an integral part of the basic financial statements.

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Assets  
December 31, 2007**

<b>Total fund balance for governmental fund at December 31, 2007</b>		<b>\$ 2,446,100</b>
<b>Total net assets reported for governmental activities in the statement of net assets is different because:</b>		
<b>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:</b>		
Buildings and improvements, net of \$202,760 accumulated depreciation	228,567	
Equipment, net of \$186,736 accumulated depreciation	<u>51,595</u>	280,162
<b>Receivable recorded under the accrual basis of accounting:</b>		
Grant receivable		100,000
<b>General long-term debt of governmental activities is not payable from current resources and, therefore, not reported in the funds. The debt is:</b>		
Compensated absences payable		<u>(4,798)</u>
<b>Total net assets of governmental activities at December 31, 2007</b>		<b><u>\$ 2,821,464</u></b>

The accompanying notes are an integral part of the basic financial statements.

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balance-**  
**Governmental Fund**  
**For the Year Ended December 31, 2007**

<b>Revenues:</b>	
Taxes	\$ 2,725,479
State grants	125,000
Fees and service	31,200
Co-op programs	19,510
Interest	102,962
Cycle Zydeco	123,724
Miscellaneous	<u>18,058</u>
<b>Total revenues</b>	<b><u>3,145,933</u></b>
<b>Expenditures:</b>	
<b>Current -</b>	
<b>Culture and recreation:</b>	
Personnel	759,763
Administrative and public affairs	276,867
Tourism program	525,384
Convention program	219,991
Membership	1,388
Winter visitor marketing	28,601
Film commission program	27,413
Sports events	142,097
Gateway	66,370
Festival promotion	360,531
Local awareness	7,493
Special projects	9,000
Unplanned events	124,364
Capital outlay	<u>32,210</u>
<b>Total expenditures</b>	<b><u>2,581,472</u></b>
 <b>Excess of revenues over expenditures</b>	 <b>564,461</b>
 <b>Fund balance, beginning of year</b>	 <b><u>1,881,639</u></b>
 <b>Fund balance, end of year</b>	 <b><u>\$ 2,446,100</u></b>

The accompanying notes are an integral part of the basic financial statements.

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of the Governmental Fund  
to the Statement of Activities  
For the Year Ended December 31, 2007**

Total net change in fund balance at December 31, 2007 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 564,461
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The change in net assets reported for governmental activities in the  
statement of activities is different because:

Governmental funds report capital outlays as expenditures. However,  
in the statement of activities, the cost of those assets is allocated over  
their estimated useful lives and reported as depreciation expense.

Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance	32,210
Depreciation expense for the year ended December 31, 2007	(22,411)

Because governmental funds do not record fixed assets and accumulated  
depreciation, any assets disposed of with no selling price do not affect the  
statement of revenues, expenditures, and changes in fund balance. However,  
in the statement of activities, a gain or loss is shown on assets that are not  
fully depreciated.

(530)

Receivable recorded under the accrual basis of accounting:

Grant receivable	100,000
------------------	---------

Governmental funds record long-term debt in the General Long-Term Debt  
Account Group as opposed to recording debt activity in the fund financial  
statements. However, in the statement of activities, the debt and related  
expenses are reported.

(1,837)

Total changes in net assets at December 31, 2007 per Statement of Activities	<u>\$ 671,893</u>
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The accompanying notes are an integral part of the basic financial statements.

## **FUND DESCRIPTIONS - FIDUCIARY FUNDS**

### **AGENCY FUNDS**

All of these funds are reflected in the totals of the agency funds presented in the statement of fiduciary net assets.

#### **Jean Lafitte Fund**

To account for funds associated with the economic development and tourism in the parishes traversed by the Jean Lafitte Scenic Byway.

#### **Real French Fund**

To account for funds associated with the economic development and tourism in the parishes traversed by the Real French Destination Scenic Byway.

#### **Visitor Enterprise Fund**

To account for funds appropriated by the Louisiana State Treasury.

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Statement of Fiduciary Assets and Liabilities - Agency Funds**  
**December 31, 2007**

<b>Assets</b>	
Cash and cash equivalents	<b><u>\$ 376,520</u></b>
 <b>Liabilities</b>	
Due to others	<b><u>\$ 376,520</u></b>

The accompanying notes are an integral part of the basic financial statements.



**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Notes to Basic Financial Statements**

**(1) Summary of Significant Accounting Policies**

The Lafayette Parish Convention and Visitors Commission (hereafter referred to as the "Commission") has been created by and in accordance with provisions of Act 38 of the State of Louisiana of 1974, Lafayette Parish Ordinance No. 277 of 1974, for the purpose of promoting the Convention and Visitors Industry of the Lafayette Parish area to the greatest possible extent.

The accompanying financial statements of the Commission have been prepared in conformity with generally accepted accounting principles (GAAP) generally accepted in the United States of America as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. GASB is the accepted standard-setting body for establishing governmental and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note.

The accounting and reporting policies of the Commission conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513 and to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

**A. Financial Reporting Entity**

This report includes all funds and account groups which are controlled by or dependent on the Commission and legislative branches (the President and Board of Commissioners). Control by or dependence on the Commission was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

Based on the foregoing criteria, certain units of local government over which the Commission exercises no oversight responsibility, such as the parish council, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the Commission.

The Commission is governed by a Board of Commissioners composed of nine members. One member is appointed by the Acadiana Hotel-Motel Association; one member is appointed by the Restaurant Association; one member is appointed by the Retail Merchants Association; one member is appointed by the President of the Lafayette Parish Consolidated Government; four members are appointed by the Lafayette Parish Consolidated Government; and one member is appointed by the Greater Lafayette Chamber of Commerce.

The Commission is considered a related organization of the Lafayette City – Parish Consolidated Government. The Government is responsible for appointing members to the Board of Commissioners but the Government's accountability does not extend beyond making these appointments.

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Notes to Basic Financial Statements (continued)**

**B. Basis of Presentation**

**Government-Wide Financial Statements (GWFS)**

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity, except the fiduciary funds. The Commission has no business-type activities.

The statement of activities presents a comparison between program revenues of the Commission and the cost of the function. Program revenues are derived directly from Commission users as a fee for services. Revenues that are not classified as program revenues, including taxes, are presented as general revenues.

**Fund Financial Statements (FFS)**

The accounts of the Commission are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the Commission are classified into two categories – governmental and fiduciary. The emphasis on fund financial statements is on major governmental funds. A fund is considered major if it is the primary operating fund of the Commission or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The fund of the Commission considered to be a major fund is described below:

**Governmental Fund -**

**General Fund**

The General Fund is the principal fund of the Commission and is used to account for all financial resources of the Commission. General operating expenditures are paid from this fund.

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Notes to Basic Financial Statements (continued)**

The following are nonmajor funds:

**Agency Funds**

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency funds are used to account for all receipts and disbursements associated with the following:

Jean Lafitte Scenic Byway District Fund - To account for funds associated with the economic development and tourism in the parishes traversed by the Jean Lafitte Scenic Byway.

Real French Destination Scenic Byway District Fund - To account for funds associated with the economic development and tourism in the parishes traversed by the Real French Destination Scenic Byway.

Visitor Enterprise Fund - To account for funds appropriated by the Louisiana State Treasury.

**C. Measurement Focus/Basis of Accounting**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

**Measurement Focus**

In the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement. The accounting objectives of this measurement focus are the determination of operating income, change in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with these activities are reported.

In the fund financial statements, the current financial resources measurement focus is used. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

**Basis of Accounting**

In the government-wide statement of net assets and statement of activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used.

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Notes to Basic Financial Statements (continued)**

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within 60 days of the end of the year. Fiduciary funds are presented on the cash basis of accounting, which approximates the modified accrual basis of accounting.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Assets, Liabilities and Equity**

**Cash, interest-bearing deposits, and investments**

For purposes of the Statement of Net Assets, cash and interest-bearing deposits include all demand accounts and money market mutual fund investments of the Commission.

**Receivables**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received.

**Capital Assets**

The accounting treatment for buildings, improvements and equipment (capital assets) depends on whether they are reported in the government-wide or fund financial statements.

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation. Interest costs are not capitalized as they relate to fixed assets. The Commission's threshold for capitalization is \$1,000.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<b>Buildings and improvements</b>	<b>20-40 years</b>
<b>Equipment and vehicles</b>	<b>5-15 years</b>

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Notes to Basic Financial Statements (continued)**

**Compensated Absences**

Employees of the Commission's office earn from 12 to 18 days per year of vacation leave depending on length of service. In addition, employees earn 12 days of sick leave each year. Employees, with the exception of the Executive Director, shall be allowed to carry over one-third of their vacation leave earned during the current calendar year. The Executive Director is allowed to carryover all vacation leave earned. Sick leave may be accumulated to a maximum of 130 days; however, sick leave is not payable upon termination. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are recorded in the government-wide statements as long-term debt. An employee who has depleted his/her accumulated sick and annual leave as a result of a seriously incapacitating and extended illness or injury may ask to receive donations of sick leave from other employees through the Sick Leave Bank (Medical Leave Assistance Program) in order that the ill/injured employee may receive income during the period when they are unable to work. The employee must have been with the Commission a minimum of six months.

**Equity Classifications**

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The Commission has no restricted net assets.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

**E. Budgetary Accounting**

A budget for the General Fund is prepared on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally prepared or as amended by the Commission. All budgetary appropriations lapse at the end of each fiscal year.

LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION  
Lafayette, Louisiana

Notes to Basic Financial Statements (continued)

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2007 are recorded as prepaid items.

G. Expenditures

In the government-wide financial statements, expenses are classified by function. In the fund financial statements, expenditures are classified by character. In the fund financial statements, governmental funds report expenditures of financial resources.

H. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities.

(2) Cash and Investments

Under state law, the Commission may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2007 the Commission has five demand deposit accounts (book balance) totaling \$846,932, of which \$376,520 is attributable to nonmajor fiduciary funds, which are not presented in the statement of net assets.

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balance) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. Deposit balances (bank balances) at December 31, 2007, are secured as follows:

Bank balances	<u>\$ 941,035</u>
Federal deposit insurance	\$ 200,000
Pledged securities (Category 3)	<u>741,035</u>
Total secured deposits	<u>\$ 941,035</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Commission's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Commission that the fiscal agent has failed to pay deposited funds upon demand. The Commission has not formally adopted a deposit and investment policy that limits their allowable deposits or investments.

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Notes to Basic Financial Statements (continued)**

At December 31, 2007, the Commission has one money market mutual fund investment. This investment is composed of Treasury bills, notes, and other obligations that are fully guaranteed as to payment by the United States government. Because of the safety of this investment, this investment takes exception to state law requiring security of federal deposit insurance or the pledge of securities owned by the fiscal agent bank. At December 31, 2007 the carrying amount of this investment was \$1,930,006; the bank balance was \$1,930,006. The Commission had only one investment on which GASB Statement No. 31 applied. This investment was an investment in LAMP, which is also considered to be a money market mutual fund investment identified in the preceding sentences. GASB Statement No. 31 requires that investments, that fall within the definitions of said statement, be recorded at fair value. However, Statement No. 31 also states that investments in an external investment pool can be reported at amortized cost if the external investment pool operates in a manner consistent with the Security Exchange Commission's (SEC's) Rule 2a7. LAMP is an external investment pool that operates in a manner consistent with SEC Rule 2a7. LAMP is also regulated by the Treasury of the State of Louisiana and fair value of the position in the pool is the same as the value of pool shares.

At December 31, 2007, the Commission's investment, at cost, is \$1,930,006. The amortized cost of this investment at December 31, 2007 is also \$1,930,006.

**(3) Taxes Receivable**

The balance in taxes receivable of \$190,523 at December 31, 2007 represents the Commission's portion of the accommodation tax collected in December by the parish tax collector.

**(4) Accounts Receivable**

The balance in accounts receivable of \$107,219 at December 31, 2007 is primarily due from a grant. A portion of the balance is due from vendors who participate in cooperating advertising with the Commission.

LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION  
Lafayette, Louisiana

Notes to Basic Financial Statements (continued)

(5) Capital Assets

Capital asset activity for the year ended December 31, 2007 was as follows:

	Balance 01/01/07	Additions	Deletions	Balance 12/31/07
Governmental activities:				
Buildings and improvements	\$ 431,327	\$ -	\$ -	\$ 431,327
Equipment	<u>207,446</u>	<u>32,210</u>	<u>(1,325)</u>	<u>238,331</u>
Totals	<u>638,773</u>	<u>32,210</u>	<u>(1,325)</u>	<u>669,658</u>
Less accumulated depreciation				
Buildings and improvements	(190,394)	(12,366)	-	(202,760)
Equipment	<u>(177,486)</u>	<u>(10,045)</u>	<u>795</u>	<u>(186,736)</u>
Total accumulated depreciation	<u>(367,880)</u>	<u>(22,411)</u>	<u>795</u>	<u>(389,496)</u>
Governmental activities, capital assets, net	<u>\$ 270,893</u>	<u>\$ 9,799</u>	<u>\$ (530)</u>	<u>\$ 280,162</u>

Depreciation expense was charged to governmental activities as follows:

Administration and public affairs	<u>\$22,411</u>
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(6) Deferred Revenue

Deferred revenue of \$119,738 at December 31, 2007 consists of collections for the 2008 Cycle Zydeco event.

(7) Changes in Long-Term Liabilities

The following is a summary of compensated absences transactions of the Commission for the year ended December 31, 2007. Because this relates to governmental activities, payments are made from the general fund.

	Balance 01/01/07	Additions	Reductions	Balance 12/31/07
Compensated absences	<u>\$ 2,961</u>	<u>\$ 2,412</u>	<u>\$ (575)</u>	<u>\$ 4,798</u>



**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Notes to Basic Financial Statements (continued)**

**(8) Retirement Contributions**

All employees are members of one of the following retirement systems during the year ended December 31, 2007:

- Federal Social Security System
- Parochial Employees' Retirement System

Pertinent information relative to both plans follows:

**A. Federal Social Security System**

All employees of the Commission were members of the Federal Social Security System through June 30, 2001. After June 30, 2001, some employees opted to participate in the State of Louisiana Deferred Compensation Plan, as opposed to the Social Security System. As of January 1, 2006, the Commission changed from the deferred compensation to the Parochial Employees' Retirement System of Louisiana. Membership in this plan is mandatory for all eligible employees and the remainder of the employees participate in the Social Security System. The Commission and the employees contributed a percentage of employee's salary to the System (7.65% contributed by the Commission; 7.65% by the employee). The Commission's contribution during the year ended December 31, 2007 amounted to \$9,458.

**B. Parochial Employees' Retirement System**

Effective January 1, 2006, the Lafayette Parish Convention and Visitors Commission changed from the State of Louisiana Deferred Compensation Program to the Parochial Employees' Retirement System of Louisiana.

This plan is a cost-sharing multiple-employer defined benefit pension plan. The plan is controlled and administered by a separate board of trustees. The system provides retirement, death, and disability benefits. Plan members are required to contribute 9.5 percent of their annual covered salary to the system while the Commission is required to contribute the statutory rate of 13.25 percent of the total covered salary. The Commission's contributions to the system for the year ended December 31, 2007 was \$74,283, equal to the required contribution for the year.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Parochial Employees' Retirement System, P.O. Box 14619, Baton Rouge, Louisiana 70898-4619.

LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION  
Lafayette, Louisiana

Notes to Basic Financial Statements (continued)

(9) Leasing Arrangements

The Commission has one operating lease agreement for the lease of a vehicle. The lease was initiated in 2005 for a term of three years. Rental expense for the year ended December 31, 2007 was \$8,091. The following is a schedule of minimum future rentals for the operating lease as of December 31, 2007:

<u>Year Ended December 31,</u>	<u>Total</u>
2008	<u>\$ 674</u>
Total	<u>\$ 674</u>

(10) Risk Management

The Commission is exposed to risks of loss in the areas of general and auto liability, property hazards, and workers' compensation. Those risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current fiscal year nor have settlements exceeded coverage for any of the past three fiscal years.

(11) Board of Commissioners' Compensation

No per diem or other compensation was paid to commissioners of the Lafayette Parish Convention and Visitors Commission for the year ended December 31, 2007.

LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION  
Lafayette, Louisiana

Notes to Basic Financial Statements (continued)

(12) Changes in Agency Fund Balances

Changes in agency fund balance due to others are as follows:

	Jean Lafitte Fund	Real French Fund	Visitor Enterprise Fund	Total
Balances, December 31, 2006	\$ 2,818	\$ 355	\$ 242,194	\$ 245,367
Additions	7,138	-	412,934	420,072
Reductions	<u>(5,159)</u>	<u>(85)</u>	<u>(283,675)</u>	<u>(288,919)</u>
Balances, December 31, 2007	<u>\$ 4,797</u>	<u>\$ 270</u>	<u>\$ 371,453</u>	<u>\$ 376,520</u>

**REQUIRED  
SUPPLEMENTARY INFORMATION**

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**  
**General Fund**

**Budgetary Comparison Schedule**  
**For the Year Ended December 31, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Taxes	\$ 2,200,000	\$ 2,600,000	\$ 2,725,479	\$ 125,479
State grants	-	125,000	125,000	-
Fees and service	36,000	34,000	31,200	(2,800)
Co-op programs	23,000	14,000	19,510	5,510
Interest	23,000	90,000	102,962	12,962
Cycle Zydeco	114,400	123,000	123,724	724
Miscellaneous	35,000	18,000	18,058	58
Total revenues	<u>2,431,400</u>	<u>3,004,000</u>	<u>3,145,933</u>	<u>141,933</u>
<b>Expenditures:</b>				
Current -				
Culture and recreation:				
Personnel	807,000	807,000	759,763	47,237
Administrative and public affairs	257,000	270,000	276,867	(6,867)
Tourism program	598,500	598,500	525,384	73,116
Convention program	271,800	271,800	219,991	51,809
Membership	5,600	5,600	1,388	4,212
Winter visitor marketing	39,500	39,500	28,601	10,899
Film commission program	28,000	28,000	27,413	587
Sports events	174,000	174,000	142,097	31,903
Gateway	75,000	75,000	66,370	8,630
Festival promotion	195,000	295,000	360,531	(65,531)
Local awareness	9,000	9,000	7,493	1,507
Special projects	9,000	9,000	9,000	-
Unplanned events	110,000	110,000	124,364	(14,364)
Capital outlay	38,000	38,000	32,210	5,790
Total expenditures	<u>2,617,400</u>	<u>2,730,400</u>	<u>2,581,472</u>	<u>148,928</u>
Excess (deficiency) of revenues over expenditures	<u>(186,000)</u>	<u>273,600</u>	<u>564,461</u>	<u>290,861</u>
Fund balance, beginning of year	<u>1,881,639</u>	<u>1,881,639</u>	<u>1,881,639</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,695,639</u>	<u>\$ 2,155,239</u>	<u>\$ 2,446,100</u>	<u>\$ 290,861</u>

**OTHER SUPPLEMENTARY INFORMATION**

## **OTHER FINANCIAL INFORMATION**

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Balance Sheets**  
**Governmental Fund**  
**December 31, 2007**  
**With Comparative Amounts for December 31, 2006**

	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
Cash and investments	\$ 2,400,418	\$ 1,773,279
Taxes receivable	190,523	171,861
Accounts receivable	7,219	5,200
Prepaid items	80,756	66,026
Lease deposit	350	350
<b>Total assets</b>	<b><u>\$ 2,679,266</u></b>	<b><u>\$ 2,016,716</u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 113,428	\$ 20,301
Deferred revenue	<u>119,738</u>	<u>114,776</u>
<b>Total liabilities</b>	<b><u>233,166</u></b>	<b><u>135,077</u></b>
<b>Fund balance:</b>		
Reserved for prepaid items	80,756	66,026
Unreserved and undesignated	<u>2,365,344</u>	<u>1,815,613</u>
<b>Total fund balance</b>	<b><u>2,446,100</u></b>	<b><u>1,881,639</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$ 2,679,266</u></b>	<b><u>\$ 2,016,716</u></b>



**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

Statements of Revenues, Expenditures, and Changes in Fund Balance-  
Governmental Fund

For the Year Ended December 31, 2007

With Comparative Amounts for the Year Ended December 31, 2006

	<u>2007</u>	<u>2006</u>
<b>Revenues:</b>		
Taxes	\$ 2,725,479	\$ 2,648,185
State funds and grants	125,000	140,000
Fees and service	31,200	31,425
Co-op programs	19,510	2,490
Interest	102,962	72,329
Cycle Zydeco	123,724	107,943
Miscellaneous	18,058	39,618
Total revenues	<u>3,145,933</u>	<u>3,041,990</u>
<b>Expenditures:</b>		
Current -		
Culture and recreation:		
Personnel	759,763	692,213
Administrative and public affairs	276,867	238,974
Tourism program	525,384	363,542
Convention program	219,991	201,315
Membership	1,388	1,834
Winter visitor marketing	28,601	19,414
Film commission program	27,413	23,992
Sports events	142,097	175,441
Gateway	66,370	93,494
Festival promotion	360,531	66,751
Local awareness	7,493	7,647
Special projects	9,000	7,000
Unplanned events	124,364	88,882
Capital outlay	32,210	19,428
Total expenditures	<u>2,581,472</u>	<u>1,999,927</u>
Excess of revenues over expenditures	564,461	1,042,063
Special item - Contribution/buy-in to retirement plan	<u>-</u>	<u>(541,446)</u>
 Net change in fund balance	 564,461	 500,617
 Fund balance, beginning of year	 <u>1,881,639</u>	 <u>1,381,022</u>
 Fund balance, end of year	 <u>\$ 2,446,100</u>	 <u>\$ 1,881,639</u>

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**  
**General Fund**

**Budgetary Comparison Schedule - Revenues**  
**For the Year Ended December 31, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Taxes:</b>				
Hotel and motel tax	<u>\$ 2,200,000</u>	<u>\$ 2,600,000</u>	<u>\$ 2,725,479</u>	<u>\$ 125,479</u>
<b>Intergovernmental:</b>				
State grants	<u>-</u>	<u>125,000</u>	<u>125,000</u>	<u>-</u>
<b>Fees and services:</b>				
Memberships	<u>36,000</u>	<u>34,000</u>	<u>31,200</u>	<u>(2,800)</u>
<b>Miscellaneous:</b>				
Co-op programs	23,000	14,000	19,510	5,510
Interest	23,000	90,000	102,962	12,962
Cycle Zydeco	114,400	123,000	123,724	724
Other sources	<u>35,000</u>	<u>18,000</u>	<u>18,058</u>	<u>58</u>
	<u>195,400</u>	<u>245,000</u>	<u>264,254</u>	<u>19,254</u>
 Total revenues	 <u>\$ 2,431,400</u>	 <u>\$ 3,004,000</u>	 <u>\$ 3,145,933</u>	 <u>\$ 141,933</u>

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**  
**General Fund**

**Budgetary Comparison Schedule - Expenditures**  
**For the Year Ended December 31, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Current:				
Culture and recreation:				
Personnel -				
Salaries	\$ 630,000	\$ 630,000	\$ 598,413	\$ 31,587
Payroll taxes	22,000	22,000	9,458	12,542
Hospitalization	80,000	80,000	78,928	1,072
Retirement	75,000	75,000	72,964	2,036
Total personnel	<u>807,000</u>	<u>807,000</u>	<u>759,763</u>	<u>47,237</u>
Administrative and public affairs -				
Collection - hotel and motel tax	11,000	11,000	10,945	55
Insurance and bonding	25,000	25,000	18,909	6,091
Telephone and telegraph	14,000	14,000	11,076	2,924
Utilities and sanitation service	18,000	18,000	15,354	2,646
Janitorial service	8,000	8,000	6,583	1,417
Equipment rental	3,000	3,000	2,226	774
Office supplies and equipment	37,000	37,000	43,391	(6,391)
Postage	46,000	46,000	38,236	7,764
Auto lease	12,000	12,000	11,753	247
Accounting	17,000	17,000	14,680	2,320
Legal and administrative advertising	3,000	3,000	5,345	(2,345)
Professional membership	18,000	18,000	18,720	(720)
Uniforms	3,000	3,000	1,006	1,994
Staff education	2,000	2,000	2,014	(14)
Web development	40,000	53,000	76,629	(23,629)
Total administrative and public affairs	<u>257,000</u>	<u>270,000</u>	<u>276,867</u>	<u>(6,867)</u>
Tourism program -				
Magazine and newspaper advertising	330,000	330,000	293,471	36,529
Outdoor advertising	50,000	50,000	27,549	22,451
Printed literature	53,000	53,000	42,921	10,079
Special promotional aids	17,000	17,000	26,960	(9,960)
News release and photography	3,500	3,500	-	3,500
Promotional - events, tours, shows	83,000	83,000	82,579	421
Services for visitors	10,000	10,000	6,451	3,549

(continued)

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**

Lafayette, Louisiana

General Fund

**Budgetary Comparison Schedule - Expenditures (continued)**

**For the Year Ended December 31, 2007**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Travel by staff	\$ 38,000	\$ 38,000	\$ 33,486	\$ 4,514
Auto gas and oil	4,000	4,000	1,587	2,413
Entertainment by staff	1,000	1,000	-	1,000
Professional memberships	8,000	8,000	9,380	(1,380)
Staff education	1,000	1,000	1,000	-
Total tourism program	<u>598,500</u>	<u>598,500</u>	<u>525,384</u>	<u>73,116</u>
Convention program -				
Magazine and newspaper advertising	70,000	70,000	67,638	2,362
Outdoor advertising	20,000	20,000	13,339	6,661
Printed literature	24,000	24,000	24,288	(288)
Specialty promotional aids	20,000	20,000	29,664	(9,664)
Promotional - events, tours, shows	24,000	24,000	32,191	(8,191)
Services for conventions and meetings	10,000	10,000	3,155	6,845
Travel by staff	29,000	29,000	7,884	21,116
Entertainment by staff and commissioner	1,000	1,000	-	1,000
Auto lease	4,000	4,000	1,829	2,171
Convention assistance program	60,000	60,000	35,950	24,050
Professional memberships	6,500	6,500	1,819	4,681
News release and photography	1,000	1,000	-	1,000
Staff education	2,300	2,300	2,234	66
Total convention program	<u>271,800</u>	<u>271,800</u>	<u>219,991</u>	<u>51,809</u>
Membership program -				
Entertainment by staff	500	500	36	464
Travel by staff	300	300	-	300
Printed literature	4,000	4,000	852	3,148
Staff education	500	500	500	-
Professional memberships	300	300	-	300
Total membership program	<u>5,600</u>	<u>5,600</u>	<u>1,388</u>	<u>4,212</u>
Winter visitor marketing program -				
Magazine and newspaper advertising	20,000	20,000	21,187	(1,187)
Promotional - events, tours, shows	6,000	6,000	3,207	2,793
Printed literature	4,000	4,000	-	4,000
Telephone and telegraph	3,500	3,500	2,821	679
Travel by staff	6,000	6,000	1,386	4,614
Total winter visitor marketing program	<u>39,500</u>	<u>39,500</u>	<u>28,601</u>	<u>10,899</u>

(continued)

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**  
**General Fund**

**Budgetary Comparison Schedule - Expenditures (continued)**  
**For the Year Ended December 31, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Film commission program -				
Film photo library	\$ 500	\$ 500	\$ 406	\$ 94
Promotional - events, tours, shows	20,000	20,000	21,013	(1,013)
Printed literature	4,000	4,000	3,660	340
Travel by staff	3,000	3,000	2,334	666
Video coordination	500	500	-	500
Total film commission program	<u>28,000</u>	<u>28,000</u>	<u>27,413</u>	<u>587</u>
Sports events -				
Printed literature	8,000	8,000	3,325	4,675
Promotional - events, tours, shows	60,000	60,000	16,176	43,824
Travel by staff	7,000	7,000	8,545	(1,545)
Cycle Zydeco	99,000	99,000	114,051	(15,051)
Total sports events	<u>174,000</u>	<u>174,000</u>	<u>142,097</u>	<u>31,903</u>
Gateway -				
Contributions to Gateway project	<u>75,000</u>	<u>75,000</u>	<u>66,370</u>	<u>8,630</u>
Festival promotion program -				
Marquis de Lafayette	125,000	225,000	332,687	(107,687)
Promotional - events, shows	5,000	5,000	-	5,000
Specialty promotional items	5,000	5,000	1,255	3,745
Printed literature	60,000	60,000	26,589	33,411
Total festival promotion program	<u>195,000</u>	<u>295,000</u>	<u>360,531</u>	<u>(65,531)</u>
Local awareness -				
News release and photography	400	400	-	400
Printed literature	7,000	7,000	6,815	185
Promotions and/or travel	1,000	1,000	-	1,000
Promotional - events, tours, shows	600	600	678	(78)
Total local awareness program	<u>9,000</u>	<u>9,000</u>	<u>7,493</u>	<u>1,507</u>
Special projects -				
Advertising & promotional items	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>

(continued)

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**  
**General Fund**

**Budgetary Comparison Schedule - Expenditures (continued)**  
**For the Year Ended December 31, 2007**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Unplanned events -</b>				
Office repairs & maintenance	\$ 60,000	\$ 60,000	\$ 78,514	\$ (18,514)
Future projects	<u>50,000</u>	<u>50,000</u>	<u>45,850</u>	<u>4,150</u>
Total unplanned events	<u>110,000</u>	<u>110,000</u>	<u>124,364</u>	<u>(14,364)</u>
 Total culture and recreation	 <u>2,579,400</u>	 <u>2,692,400</u>	 <u>2,549,262</u>	 <u>143,138</u>
 <b>Capital outlay -</b>				
Equipment	<u>38,000</u>	<u>38,000</u>	<u>32,210</u>	<u>5,790</u>
 Total capital outlay	 <u>38,000</u>	 <u>38,000</u>	 <u>32,210</u>	 <u>5,790</u>
 Total expenditures	 <u>\$2,617,400</u>	 <u>\$2,730,400</u>	 <u>\$2,581,472</u>	 <u>\$ 148,928</u>

**INTERNAL CONTROL,  
COMPLIANCE,  
AND OTHER  
MATTERS**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The President and Members of  
the Board of Commissioners  
Lafayette Parish Convention  
and Visitors Commission  
Lafayette, Louisiana

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Convention and Visitors Commission as of and for the year ended December 31, 2007, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated April 22, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control over Financial Reporting

In planning and performing our audit, we considered the Lafayette Parish Convention and Visitors Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS



A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the Commission's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Commission's financial statements that is more than inconsequential will not be prevented or detected by the Commission's internal control. We consider the deficiencies described in the accompanying schedule of prior and current audit findings and management's corrective action plan to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material misstatement of the financial statements will not be prevented or detected by the Commission's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider items 07-1 and 07-2 to be material weaknesses.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Lafayette Parish Convention and Visitors Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The Commission's response to the findings identified in our audit is described in the accompanying schedule of prior and current audit findings and management's corrective action plan. We did not audit the Commission's response and, accordingly, we express no opinion of it.

This report is intended solely for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***

Certified Public Accountants

Lafayette, Louisiana  
April 22, 2008

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
Lafayette, Louisiana

**Schedule of Prior and Current Audit Findings and  
Management's Corrective Action Plan  
Year Ended December 31, 2007**

**I. Prior Year Findings:**

**Internal Control over Financial Reporting**

**06-1 – Inadequate Segregation of Accounting Duties**

**Finding:**

Due to the small number of employees, the Commission did not have adequate segregation of functions within the accounting system.

**Status:**

Unresolved; See item 07-1.

**Compliance and Other Matters**

There were no findings to be reported under the above section.

**Management Letter Items**

There were no management letter items at December 31, 2006.

**II. Current Year Findings and Management's Corrective Action Plan:**

**Internal Control over Financial Reporting**

**07-1 – Inadequate Segregation of Accounting Duties**

**Finding:**

Due to the small number of employees, the Commission did not have adequate segregation of functions within the accounting system.

**Management's Corrective Action Plan:**

Mr. Gerald Breaux, Executive Director, has determined that it is not feasible to achieve adequate segregation of functions within the accounting system. No action is considered necessary.

**07-2 – Inadequate Controls over Financial Statement Preparation**

**Finding:**

The Commission does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.

(continued)

**LAFAYETTE PARISH CONVENTION AND VISITORS COMMISSION**  
**Lafayette, Louisiana**

**Schedule of Prior and Current Audit Findings and  
Management's Corrective Action Plan (continued)**  
**Year Ended December 31, 2007**

**Management's Corrective Action Plan:**

Mr. Gerald Breaux, Executive Director, has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

**Compliance and Other Matters**

There are no findings to be reported under the above section.

**Management Letter Items**

There are no management letter items at December 31, 2007.